

KANSAS RACING AND GAMING COMMISSION

MINUTES – JULY 23, 2021

CALL TO ORDER
(A.)

Chairman David Moses called the July 23, 2021 meeting to order at 10:00 a.m. The meeting was held in Auditoriums A & B of the Eisenhower State Office Building, 700 SW Harrison, in Topeka, KS. Commissioners Larry Turnquist, Kelly Kultala, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Security and Electronic Gaming, Roger Bailey, and other staff.

MOTION, APPROVE
AGENDA
(B.)

Commissioner Turnquist (Kultala) moved to approve the agenda. Motion carried 4-0.

MOTION, APPROVE
May 21, 2021
MEETING MINUTES
(C.)

Commissioner Myres (Turnquist) moved to approve the minutes of the June 11, 2021 meeting as amended. Motion carried 4-0.

MOTION, APPROVE
CONSENT AGENDA
(D.)

Commissioner Kultala (Myres) moved to approve the consent agenda (five items). Motion carried 4-0.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL CASINO & RESORT
(E.1.a.)

Diane Giardine, General Manager, reported:

- Semi-Annual Responsible Gambling Report
- June 2021 revenue numbers compared to June 2019 & 2020:
 - Total gaming revenue up 17.54% (2019)
 - Total gaming revenue up 26.77% (2020)
 - Total slot revenue up 21.1% (2019)
 - Total slot revenue up 27.62%(2020)
 - Table games revenue down 17.66% (2019)
 - Table games revenue up 15.52% (2020)
- June promotions:
 - Weekly Kiosk Games
 - Weekly Food and Beverage Specials
 - Gift Promotions
 - Summer Grillin' Giveaway

- Father's Day Buffet
- VIP Promotions
- DC Law, June 5 & June 24
- DC Gamblers vs. Lawrence Admirals June 12
- Legends Only exclusive event for VIPs, June 27
- July and future promotions:
 - \$100,000 Crack the Code
 - Polaris Ranger Giveaway July 31 & August 7 (in connection with Dodge City Days)
 - Fourth of July Fireworks sponsored by the City of Dodge City
 - Blue Oyster Cult, July 9
 - DC Days Concert – Chris Lane, Tyler Farr, Adam Doleac – July 31
 - Jeff Dunham October 22

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, Vice President and General Manager, reported:

- Semi-Annual Responsible Gambling Report
- June 2021 revenue numbers compared to June 2020:
 - Admissions up 2.4%
 - Total gross gaming revenue up 6.3%
 - Slot coin-in up 0.5%
 - Slot hold up .44 pts.
 - Table games drop up 70.2%
 - Table games hold down 6.9 pts.
- Events and Promotions, June, July and August:
 - Southern Plains Wrestling, June 4 & 5
 - Wichita Force Football, June 12, 21 and 26
 - Wichita Flea Market, June 19 and 20
 - Wichita Flea Market, July 17 and 18
 - Kansas EMS Association Conference, August 11 to 14
 - High Plains Journal Farmer Show, August 16 and 19
 - Wichita Flea Market, August 21 and 22
 - Clint Black, August 27

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;

Rick Skinner, Vice President and General Manager, reported:

- Semi-Annual Responsible Gambling Report

HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

- June 2021 admissions up 55.8% compared to June 2020
- June 2021 revenue numbers compared to June 2020:
 - Total gaming revenue up 36.3%
 - Slot revenue up 29.6%
 - Table games revenue up 206%
 - Poker room remains closed
- Events and Promotions:
 - \$40,000 mycash Giveaway, June, 25
 - June Tier Renewal Drawings
 - Stars and Stripes Cooler Giveaway, July 1
 - VIP mychoice mysummer Kickoff, July 2
 - Rolling Riches Giveaway, July 9
 - \$20K mychoice app Drawing, July 10
 - Cast Iron BBQ Giveaway, July 10
 - \$250k Pick Pull & Win, July 17
 - Grills Gone Wild Giveaway, August 6
 - \$250K Pull Tab Adventure, August 7
 - Drop and Win, August 13
 - Download to Win \$25,000 Cash, August 21
 - VIP mychoice mysummer, August 27

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
CROSSING CASINO
(E.4.a.)

Jeff McKain, General Manager, reported:

- Semi-Annual Responsible Gambling Report
- June 2021 revenue numbers compared to June 2020:
 - Admissions up 26.9%
 - Net slot revenue up 21.8%
 - Coin in up 18.5%
 - Table games drop up 53%
 - Net gaming revenue up 22.8%
- Events and Promotions in June:
 - Casino Hot Seats, every Monday
 - Point Multiplier Kiosk games, every Tuesday
 - Camp 49 Hot Seats and lunch specials, every Wednesday
 - Casino Hot Seats, every Thursday
 - Prize Wheel promotion Friday, 4, 11, and 18
 - Bank Buster Progressive Drawings, June 25
 - Live show in Corral June 26
 - Casino Gift Day every Saturday
- Events and Promotions in July:
 - Casino Hot Seats every Thursday

- Summertime Spin Promotion on Fridays, July 16, 23 and 24
- Bank Buster Progressive Drawing July 30
- Retail promotion on July 3, with free hot dogs, party cups and t-shirts
- 90's Rock Band Blessid Union of Souls in the Corral, July 17
- Let's Deal promotion on July 10, 17 and 24
- Gas giveaway promotion, July 31
- Casino Gift Day on July 10, 17, 24 and 31
- Casino Kiosk Game, July 4

COMMISSION ITEMS –
OLD BUSINESS (F.1)

There was no old business.

NEW BUSINESS (G.1)
APPROVAL OF
RESPONSIBLE GAMBLING
REGULATION
AMENDMENTS

Judith Taylor, KRGC General Counsel, presented proposed amendments to Article 112, responsible gambling regulations. Following discussion, commissioners asked for lottery gaming facility managers to review the proposed amendments and provide input prior to approval of the regulations.

MOTION TO APPROVE
REGULATION
AMENDMENTS (G.1)

Commissioner Moses (Kultala) moved to approve the Article 112 regulations for submission to the Department of Administration to begin the formal approval process after staff shares the proposed amendments with general managers of the casinos, and if there are any changes as a result of that process, that staff brings those changes back to the commission before submission to the Department of Administration. Motion carried 4-0.

PUBLIC COMMENTS (H.)

There were no public comments.

STAFF REPORTS
(I.1.a and I.2)

Judith Taylor, General Counsel, reported on the Voluntary Exclusion Program statistics for the month of June 2021.

Executive Director Brownlee reported:

- KRGC Topeka office is back open to the public with most staff back in the office and regular hours, though a few will continue to work remotely as needed depending on individual needs.

- IT has been involved in converting KRGC systems over to a new IT system, and the IT team was thanked for their efforts.
- The state for several years has been in the process of gradually upgrading agencies from their own standalone systems to a statewide system under OITS. During the pandemic, it became necessary for KRGC to replace its servers and upgrade its Microsoft Office suite of services. KRGC will now have unlimited cloud storage, and the email system has been switched to that of the statewide email system. Protocols were developed to separate KRGC information, both collection and storage, from the state system to prevent other agencies from gaining access to KRGC information. That transition is mostly complete.
- The casino managers were thanked for their efforts during the reopening process to adjust to the new restrictions that the state imposed on them.
- As heard in recent revenue reports, the casinos are doing a remarkable job during the reopening despite operating with fewer slot machines and table games, yet still in some months, the revenue is higher than it was pre-COVID, and that is a tribute to their marketing and management skills.
- The next meeting is scheduled for August 13th, in person in Auditoriums A & B.

MOTION, EXECUTIVE
SESSION; ATTORNEY-
CLIENT PRIVILEGE AND
BACKGROUND REPORTS
(J.)

Commissioner Kultala (Myres) moved that the Commission go into executive session for the purpose of discussing attorney-client privileged communications and reviewing the list of confidential backgrounds for licensing. In addition to the commissioners, those included were the executive director and general counsel for the attorney-client privilege portion, and the executive director, general counsel, and director of security and electronic gaming for reviewing the list of confidential backgrounds for licensing. The total time for the executive session was anticipated to be thirty minutes until 11:45 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 4-0 and the meeting was adjourned to executive session at 11:15 a.m.

RECONVENE
(J.)

The commission meeting returned to open session at 11:47 a.m. with Chairman Moses, Commissioner Turnquist, Commissioner Myres and Commissioner Kultala present.

OTHER BUSINESS
(K.1)

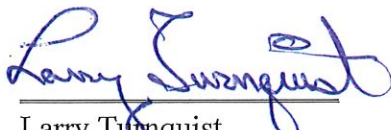
Commissioner Turnquist (Kultala) moved to *deny one* license application, *conditionally approve one* license application, *table one* license application, and *approve the remaining 221* license applications from the July 23, 2021 list of background reports referred to the commission for action. The motion carried 4-0.

The next commission meeting will be on August 13, 2021 at 10:00 a.m., in-person at the Eisenhower State Office Building in Topeka, KS, barring any unforeseen circumstances.

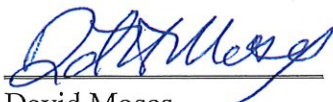
ADJOURNMENT
(L.)

Commissioner Myres (Kultala) moved to adjourn the meeting. Motion carried 4-0. The meeting was adjourned at 10:49 a.m.

SUBMITTED BY:


Larry Turnquist
Secretary

APPROVED BY:


David Moses
Chairman